

Benefits Termination Notice

This letter has been sent to you by your Agency.
Please contact your Health Benefits Representative (HBR) with any questions.

Name: Address:	Personnel No: Personnel Area: Payroll Area:	Date:
---------------------------------	--	--------------

This letter is to notify you that your state-sponsored benefit plans have ended due to Separation. It is for informational purposes only. Continuation of coverage, conversion or portability options may be available based on each plan's specifications. You will need to make satisfactory payment arrangements and complete any necessary forms based on each plan's requirements and deadlines. We will notify each vendor of the date your plan(s) will end. It is not the intent of this letter to replace or supersede any documents you receive from each plan directly. If you have any questions about the information you see below, please contact the Benefits Support Center at 1-855-859-0966 or BEST Shared Services at 1-866-NCBEST-4U.

AGENCY AFTER-TAX SPECIFIC BENEFITS

If you are enrolled in any group life, accident, disability, dental or cancer plans offered through your agency, please contact the applicable vendor or your Agency Human Resources or Payroll Representative directly to discuss your continuation options.

STATE HEALTH PLAN

The State Health Plan will send you information outlining your continuation options, mailed to your last known address. You may continue coverage by paying the full cost (both the employer and employee costs) plus a 2% administrative fee by the dates the vendor indicates. You can also contact the State Health Plan with questions at 1-888-234-2416. If your coverage ended due to retirement, you may be eligible to continue your health insurance through the Retirement System. Please contact your agency representative to see if you qualify and to inquire about enrollment instructions.

Note to RIF employees only: If you are separating from NC State Government employment due to Reduction-In-Force (RIF), your current group health coverage will continue until the end of the month in which the reduction in force occurs (last day in active employment status). However, if you were enrolled in the plan and had 12 months of service at the time of RIF, you will be eligible for RIF coverage paid by your employer for 12 months thereafter or until you obtain other health coverage through another employer, whichever comes first. Once the health plan vendor is notified of your reduction in force, they will send you a benefit packet in the mail regarding your RIF health plan options. At this time, it is important that you make an election or your coverage will not continue. Payments for RIF health coverage are not sent to BEST Shared Services or deducted from your paycheck. RIF health plan payments will need to be sent directly to the vendor or coverage will be canceled or reduced to a non-contributory "Employee Only" plan. If your dependent(s) are canceled from your health plan, the dependent will not be eligible for COBRA (continuation coverage under federal guidelines).

After completion of the 12 month RIF coverage period, you can continue your health coverage by paying the full premium cost to the vendor. The health plan vendor will notify you of your payment information for you to continue your coverage thereafter. If you decide to retire, your retiree health benefits will begin the first of the month following the date of retirement. Premiums to cover dependent(s) if applicable will be deducted from your retiree benefit payments at that time.

Medicare Eligibility (age 65 and older)

Upon separation from employment, Medicare will be considered the primary payor, and the State Health Plan will become secondary for employees who are Medicare eligible and choose to continue coverage under COBRA, Reduction in Force (RIF) or under the State Retirement System as a retiree. Therefore, you may want to consider enrolling in Medicare Part B, if not already enrolled. Members can contact the Social Security Administration at 1-800-772-1213 or 1-800-325-0778 (TTY) for specific information regarding Medicare. The Seniors' Health Insurance Information Program (SHIIP) under the NC Department of Insurance is also an available resource at 1-855-408-1212.

RETIREMENT PLANS

Teachers' and State Employees' Retirement System (TSERS)

Upon separation, you may be eligible to receive a refund of your retirement contributions or you may choose to leave your monetary contributions in the state retirement system for future retirement possibilities. Additionally, if you are transferring to a non-BEACON State entity or local government entity, you may have an option to transfer your retirement contributions. You can contact the retirement system to discuss your options at (919) 733-4191 or 1-877-733-4191 (toll-free).

401K Savings Plan

Distribution options are available, but taxation and penalties may apply. Please contact Prudential directly to inquire about withdrawal options.

Prudential NC Plans Processing Center
30 Scranton Office Park
Scranton, PA 18507
1-866-627-5267
www.ncplans.prudential.com

457 Deferred Comp Savings Plan

Distribution options are available but taxation and penalties may apply. Please contact Prudential directly to inquire about withdrawal options.

Prudential NC Plans Processing Center
30 Scranton Office Park
Scranton, PA 18507
1-866-627-5267
www.ncplans.prudential.com

NC FLEX PLANS

NC Flex Dental Plan

After receiving the termination notice, the vendor will send COBRA enrollment material to your last known address if you are enrolled in an option that you pay for in monthly premiums. The cost is 100% of your monthly premium, plus 2% administration fee. Payments are made on an after tax basis by check, payable to the vendor. Checks are due by the 1st day of the month. If a COBRA notification is not received within 30 days of your Separation date, please contact United Concordia at 1-800-291-8039.

NC Flex Vision Plan

After receiving the termination notice, the vendor will send COBRA enrollment materials to your last known address, if you are enrolled in an option that you pay for in monthly premiums. The cost is 100% of your monthly premium, plus 2% administration fee. Payments are made on an after tax basis by check, payable to the vendor. Checks are due by the 1st day of month. If you are enrolled in the Core Wellness plan, there are no continuation options. If a COBRA notification is not received within 30 days of your Separation date, please contact Superior Vision at 1-800-507-3800.

NC Flex Cancer Plan

This coverage has a portability feature which allows continuation of your cancer coverage when your employment ends or policy terminates, by paying premiums directly to Allstate Benefits. The vendor will send continuation information to your last known address. For more information, refer to the Cancer Portability Privilege document at www.ncflex.org or

call Allstate at 1-866-232-1517.

NC Flex Critical Illness Plan

This coverage has a portability feature which allows continuation of your critical illness coverage when your employment ends or policy terminates, by paying premiums directly to Allstate Benefits. The vendor will send continuation information to your last known address. For more information, refer to the certificate at www.ncflex.org or call Allstate at 1-866-232-1517.

NC Flex TRICARE Supplemental Health Plan

This health plan is portable and may continue until age 65. ASI Customer Service will direct bill premiums to your last known address. You may also contact their customer service department at 1-800-638-2610 ext.255. You will be responsible for paying the full cost of the plan.

NC Flex Life Insurance

You may either convert or port your life insurance.

Portability: You may continue your term life insurance coverage under the NC Flex Voluntary Group Term Life Insurance policy if you terminate employment or retire prior to age 70 (without a physical examination) with the same terms and conditions. Active coverage at age 70 or retirement after age 75 will be eligible for conversion ONLY.

Conversion: Upon separation, you may convert your coverage to an individual whole life policy without a physical examination, regardless of age. The whole life policy builds cash value and the premiums do not change as you get older. You pay the full cost of individual policy coverage, plus a billing fee.

For more information, visit www.ncflex.org or call the vendor at 1-877-464-5111.

NC Flex AD&D Insurance

If you are under age 70, you may elect to continue coverage by contacting the AD&D vendor at 1-800-257-0930 for an application. The application and premiums are due within 31 days after your insurance ends.

NC Flex Core AD&D

The Core AD&D plan is only available to active employees. There are no continuation coverage options available for this plan.

NC Flex Health Care Flexible Spending Account (FSA)

After receiving the termination notice the vendor will send COBRA enrollment materials to your last known address. The Cost is 100% of your monthly contributions, plus a 2% administration fee. Payments are made on an after-tax basis by check, payable to vendor. Checks are due by the 1st day of each month. For more information, please contact the FSA vendor at 1-866-916-3475.

NC Flex Dependent Care Flexible Spending Account (FSA)

This plan cannot be continued. Contact the vendor to request reimbursement for the claims incurred prior to your coverage ending. For more information, please contact the FSA vendor at 1-866-916-3475.

Thank you,
Best Shared Services